

# Lloyd's Register today 2014

Newsletter for pensioners - Issue 21



Lloyd's  
Register

Working together  
for a safer world

# Message from Richard Sadler

Welcome to the 2014 pensioners' newsletter. As usual, this year has involved an impressive range of activities for LR. The Paris MoU announced that we had topped the European port state control rankings and LR Energy signed a £25 million contract with Talisman Sinopec. LR Rail joined a pan-European project to support an increased use of composite materials in the manufacture of rolling stock and LRQA renewed its verification partnership with CDP, an international, not-for-profit organisation providing the only global system for companies and cities to measure, manage and disclose vital environmental information – to name but a few.



There is no doubt that the general economic climate has remained challenging over the last twelve months but I am pleased to report that overall, Lloyd's Register Group Limited has achieved a very positive performance over the 2013/14 financial year, exceeding £1 billion in turnover for the first time which is a fantastic achievement.

We have continued to illustrate our commitment to technical excellence through the development of our two global technology centres and research network. The Southampton Global Technology Centre is now in its new home on the University of Southampton campus, with 400 LR colleagues. Our GTCs will drive innovation as well as commercial and environmental performance, all underpinned by our commitment to safety, for the benefit of LR and our stakeholders.

Importantly, this year we reduced our total recordable injury incident rate to 0.39 per 200,000 worked hours. In the last three years, the number of lost time events has been reduced by 95%. Safety must always remain our number one priority as a business.

Looking forward, it will be essential that we continue to grow our business further by putting our clients at the heart of everything we do so that we can work with them to identify and resolve their business issues and add value. LR is unique in terms of the range of skills and expertise that we can offer our clients, and we strongly believe that by leveraging this, we will continue to grow and to maximise our contribution to the Lloyd's Register Foundation which this year, has gone from strength to strength. The Foundation has undertaken significant research into nanotechnology and big data, and supported many smaller educational projects throughout 2014.

As always, we could not have achieved our successes without our people. I would like to thank the Board, management team and employees for their hard work and enthusiasm over the last year. With their continued drive and determination, we can continue to deliver for our clients, our communities and the Lloyd's Register Foundation.

I hope to see you all soon.

A handwritten signature in black ink, appearing to read 'Richard Sadler'. The signature is fluid and cursive, written on a white background.

Richard Sadler  
Chief Executive Officer

# Chairman's Report 2014 by Nicholas Godden



I was appointed in October 2014 to be your new independent chairman of the Trustee Board. Ian Richards, your previous Chairman, decided to stand down in April 2014 and Neil Dunford had held the reins in the interim. I have been chairman and trustee of various pension funds and look forward to working with Lloyd's Register and helping the trustees look after the funds the company and you have entrusted it with in order to provide your benefits.

I joined just after the trustee and the Company had agreed the Triennial Actuarial Valuation of the Defined Benefits section of the Fund. This Valuation is done by the independent actuary to the Fund and attempts to see whether the amount invested in the Fund is going to be sufficient to meet the promises to pay all the members their benefits.

The Valuation of the LRSFA showed that liabilities exceeded assets by £94 million as at 31st March 2013. As a result of improved market conditions this had reduced to £69 million by 31st December 2013. This meant that a 'Recovery Plan' had to be put in place to ensure this shortfall was covered. The trustees agreed with the company that as part of the recovery plan £25 million would be paid by 31st October 2014 with various other smaller amounts each year until the shortfall of £69 million is made up. The Actuary looks at the position annually and this is reported to you in the Summary Funding Statement with a further full valuation due in March 2016.

One of the most important things for any pension fund is to have a successful and supportive company behind it, and as I get to know Lloyd's Register I can see that we are more fortunate than several other funds of similar size, as currently the Company is both successful and supportive.

You also have both a very dedicated trustee directorship and a knowledgeable Group Pensions Department. The Group Pensions team has recently been awarded the national Pension Quality Mark Plus Award, in recognition of their performance. I would also like to thank on your behalf the Trustee Directors who handled the complexities of the 2013 Valuation. Both the Group Pensions team and the Trustee Directors are now further challenged with all the changes recently announced in the 2014 Budget Announcement for the Defined Contribution section of the Fund.

# Group Pensions Re-Group in 2014

It was another year of change for the make-up of the Group Pensions department.

Bradley Coomber was the first new team member of 2014. He joined in January as an Assistant Pensions Practitioner. Bradley is working on UK administration with existing Pensions Practitioner Nicola Emery, whilst also helping Pensions Analyst Greg Jones with record keeping. Mary Babington, another existing Pensions Practitioner, is now mainly working on overseas administration.

Group Pensions was also joined in January by temporary Pensions Practitioner Claudia Troiani. Claudia has been helping at a busy time, both with UK and overseas administration.

In March the team was joined by Alison Brewer, who replaced Sophie Marley as the department's Pensions Administration Co-ordinator. Alison is looking forward to taking charge of the Pensioners' Lunch next year.

The department also bid a temporary goodbye to Pensions Specialist Jacqueline Wallace, who is currently on maternity leave following the birth of her son. Her role is being covered by Malcolm Revell, who joined the department on a temporary basis

when Jacqueline left in August.

Claire Dowden continues in her role of Pensions Practitioner Supervisor, as does Esther Thomas in her role of Assistant Pensions Manager. Colin Macnaughton still leads the team as Group Pensions Manager.

Group Pensions will have a busy time over the coming year. Whilst constantly striving to improve governance and service, the team are adapting to the challenges of the future. A new communications strategy is being developed for use with both UK and overseas communication. The new strategy will also play a big part in how the team communicate the UK Government's new retirement benefit options to members of defined contribution schemes.

The team also continue to monitor pension developments in all of the countries that Lloyd's Register operate in, and assist colleagues on the ground in understanding any changes that could affect the pension arrangements.

As 2015 approaches, Group Pensions are looking forward to the challenges that lie ahead.



Clockwise from left: Nicola Emery, Alison Brewer, Claire Dowden, Esther Thomas, Claudia Troiani, Malcolm Revell, Greg Jones, Colin Macnaughton, Mary Babington, Bradley Coomber.

# Technical excellence and innovation

Research has an important role to play in maintaining the expertise of our people around the world. We aim to keep at the forefront of technology and progressively understand the fundamental science and academic analysis behind new technologies. Key to this is the work of our global technology centres (GTCs), in Southampton and Singapore, and our research and development network. This adds strength to our work as an independent third-party. It is helping us to find new and better ways to improve safety, performance and quality in the industries we serve.

A key highlight this year was the Southampton Global Technology Centre's move to its new home on the University of Southampton campus. Working with our stakeholders and some of the world's leading academic institutions, we are helping our clients to respond to challenges and opportunities they face and provide society and industry with the advanced technologies, systems and solutions required for this increasingly complex world.



Global technology centre, Southampton.

# Our values

In 2014 we refreshed the expression of our corporate values of TACOS (trustworthy, accountable, courageous, open-minded, spirited) to ensure they are better aligned with the organisation that LR is today.

In order to make sure that the spirit of LR was accurately captured employees were asked what LR means to them.

Many employees shared their stories. We received quotes, poems, song lyrics and even an oil-painting – all of which spoke to who LR is as an organisation in a very powerful way. Importantly, it was very clear from the analysis that three very strong and clear expressions of our values emerged into which nearly every contribution fell. They are “we care, we share our expertise and we do the right thing”. Below are some examples of what was said under each category:-

## We care.

We care about our people, our clients and their assets, our business and the environment.

We want everyone to get home safely.

We're family. One LR.

We're committed to sustainability.

We're passionate about giving back to society through our everyday work and the LR Foundation.

We want to leave the world a better place than we found it.

We care.

## We share our expertise.

We strive to be the leaders in our profession.

We strive for unparalleled professional expertise and knowledge.

We never stop learning.

We're inquisitive and curious.

We share our expertise.

## We do the right thing.

We're independent and impartial.

We show integrity in everything we do.

We're trustworthy. We do what we say.

We never compromise on standards or safety.

We're brave and courageous.

We do the right thing.

All three of these values are an incredibly strong expression of LR today. They capture the vision of making the world a safer place and how we want the LR brand to be seen – as a trusted advisor, an organisation that can be relied upon for wise counsel; an organisation that has a unique breadth of knowledge and expertise. Importantly, whilst these values replace TACOS as an expression, they still embody our trustworthy, accountable, courageous, open-minded and spirited behaviour, but also much more.

# LR Pensioners' Website

The Pensioners' Website has been created exclusively for Lloyd's Register pensioners and is maintained by the Group Pensions Department. As well as being a source of information, it is also interactive and allows members to add pictures and hold discussions.

If you would like access to the site please email the Group Pensions Department at [group.pensions@lr.org](mailto:group.pensions@lr.org). You will then be issued with an individual user ID and password to log on to the site.

## How do I log on?

**Step 1:** Go to: <http://pensioners.lr.org>

**Step 2:** In the login box enter your pension number (User ID) and password.

**Step 3:** Click the 'Register' button at the bottom of the form.

## Areas on the site

**News:** Lists articles relevant to pensioners. The latest news articles are displayed at the top of the page.

**What's Happening:** All the news from inside LR.

**Obituaries:** Displayed in chronological order. The date of the obituary is displayed along with the name of the deceased. Selecting the name of the deceased will display a page with more information about the obituary.

**Historical Interest:** Articles about historical issues.

**Interact:** The interact section allows you to add your own content, news, pictures and share information with other pensioners.

**Useful Links:** Links to websites of organisations and other institutions you may find useful.



**LARGE PRINT AVAILABLE**

If you require a copy of this newsletter in large print, please contact Mary Babington.

T +44 (0)20 7423 1785

E [mary.babington@lr.org](mailto:mary.babington@lr.org)

For all other enquiries please contact the helpdesk on

T + 44 (0)20 7423 1818

E [group.pensions@lr.org](mailto:group.pensions@lr.org)

**The Lloyd's Register Group**

Created by Group Communications and Group Pensions.

Registered office: 71 Fenchurch Street, London EC3M 4BS, UK.

[www.lr.org](http://www.lr.org)

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